

Burlington County – Congressman John Adler, a member of the House Financial Services Committee, today announced new credit protections that will take effect on Sunday, August 22. Congressman Adler, a strong supporter of the Credit Card Accountability, Responsibility, and Disclosure (CARD) Act, helped pass the bill in May 2009. Many of the bill's provisions became effective in August 2009 and February 2010.

"Families and small businesses deserve better than a credit card company's tricky fine print," Congressman John Adler said. "When consumers get honest information up front, they are able to make the best decision for their own financial future. Credit card companies should play by the same rules as middle-class families and seniors."

In addition to the tough consumer protections that are already implemented, on August 22, two additional provisions of the Credit Cardholders' Bill of Rights go into effect: 1) requiring penalty fees for such things as late payments to be reasonable and proportional; and 2) requiring credit card companies, if they raise your interest rate, to re-evaluate that rate increase every 6 months and, if appropriate, reduce that rate within 45 days after completing the evaluation.

Some of the key consumer protections in the Credit Cardholders' Bill of Rights that went into effect in August 2009 and February 2010 include:

- Prohibits retroactive interest rate hikes on existing balances.
- Bans double-cycle billing (charging interest twice on balances paid on time).
- Ensures fairness of due dates, including requiring statements be mailed 21 days in advance of the payment date and requiring the payment date to remain the same each month.
- Requires 45-days' advance notice of interest rate, fee and finance charge hikes.
- Strengthens credit card protections for young people.
- Requires that billing statements from credit card companies be clear, be in plain English, and show how long a balance will take to be fully paid off if only the minimum payment is made.

Congressman Adler has used his spot on the Financial Services Committee (FSC) to protect consumers and help small businesses create private sector jobs. He passed an amendment in the FSC which the Wall Street Journal said "will create jobs at no cost to the taxpayer." He also supported the Wall Street Reform bill and championed some of its strongest consumer and small business protections, such as regulating credit card interchange fees.